

MINUTES

MONTANA HOUSE OF REPRESENTATIVES 65th LEGISLATURE - REGULAR SESSION

COMMITTEE ON TAXATION

Call to Order: Chair Jeff Essmann, on March 9, 2017 at 8:00 AM, in Room 152 Capitol

ROLL CALL

Members Present:

Rep. Jeff Essmann, Chair (R)
Rep. Kelly Flynn, Vice Chair (R)
Rep. Tom Jacobson, Vice Chair (D)
Rep. Kim Abbott (D)
Rep. Becky Beard (R)
Rep. Mary Ann Dunwell (D)
Rep. Dave Fern (D)
Rep. Wylie Galt (R)
Rep. Jim Hamilton (D)
Rep. Adam Hertz (R)
Rep. George G. Kipp III (D)
Rep. Steve Lavin (R)
Rep. James O'Hara (R)
Rep. Alan Redfield (R)
Rep. Bridget Smith (D)
Rep. Tom Welch (R)
Rep. Kerry White (R)

Members Excused:

Rep. Zach Brown (D)
Rep. Ron Ehli (R)
Rep. Greg Hertz (R)

Members Absent: None

Staff Present: Margot Miltenberger, Committee Secretary
Megan Moore, Legislative Branch

Audio Committees: These minutes are in outline form only. They provide a list of participants and a record of official action taken by the committee. The link to the audio recording of the meeting is available on the Legislative Branch website.

Committee Business Summary:

Hearing & Date Posted: HB 567, 2/27/2017; SB 132, 2/28/2017; SB 150, 2/28/2017; SB 252, 2/28/2017

HEARING ON SB 252

Opening Statement by Sponsor:

00:01:22 Sen. Mark Blasdel (R), SD 4, opened the hearing on SB 252, Revise pass-through entity withholding.

Proponents:

00:02:35 Krystal Stewart, Montana Society of CPAs (MSCPA)
EXHIBIT(tah49a01)

00:09:13 Rachael Milne, Department of Revenue (DOR)

00:11:33 Holly Franz, Montana Society of CPAs (MSCPA)

Opponents: None

Informational Witnesses: None

Questions from Committee Members and Responses:

00:15:07 Rep. Hamilton

00:15:38 Krystal Stewart, MSCPA

Closing by Sponsor:

00:16:20 Sen. Blasdel

HEARING ON SB 132

Opening Statement by Sponsor:

00:17:31 Sen. Tom Richmond (R), SD 28, opened the hearing on SB 132, Revise tax laws related to pollution control equipment.

Proponents:

00:20:36 Alan Olson, Montana Petroleum Association (MPA)

00:22:31 Tammy Johnson, Montana Mining Association (MMA)

00:24:43 Aimee Grmoljez, Ashgrove Cement, CHS Refinery (CHS), MDU Resources Group (MDUR)

00:26:56 Webb Brown, Montana Chamber of Commerce (MCC)

Opponents:

00:27:33 Director Mike Kadas, Department of Revenue (DOR)

00:30:08 Rep. G. Hertz joined the meeting

00:30:47 Anne Hedges, Montana Environmental Information Center (MEIC)

Informational Witnesses: None

Questions from Committee Members and Responses:

00:34:04 Rep. White

00:34:57 Tammy Johnson, MMA

00:36:07 Rep. Beard

00:36:50 Tammy Johnson, MMA

00:37:36 Rep. Jacobson

00:38:57 Director Mike Kadas, DOR
00:39:40 Rep. Fern
00:41:56 Director Mike Kadas, DOR
00:42:11 Rep. Dunwell
00:44:30 Director Mike Kadas, DOR
00:45:01 Lee Baerlocher, Department of Revenue (DOR)
00:45:23 Rep. Dunwell
00:46:09 Lee Baerlocher, DOR
00:46:29 Rep. Flynn
00:46:53 Aimee Grmoljez, Ashgrove Cement, CHS, MDUR
00:47:14 Rep. Flynn
00:47:23 Alan Olson, MPA
00:47:36 Rep. Flynn
00:47:51 Rep. Dunwell
00:48:47 Sen. Richmond
00:49:06 Rep. Beard
00:49:40 Sen. Richmond
00:50:25 Rep. Beard
00:53:52 Alan Olson, MPA
00:54:03 Chair Essmann
00:54:27 Rep. A. Hertz
00:56:28 Anne Hedges, MEIC
00:57:30 Rep. Dunwell
00:58:23 Anne Hedges, MEIC
00:59:52 Rep. Hamilton
01:00:51 Director Mike Kadas, DOR

Closing by Sponsor:

01:01:01 Sen. Richmond

HEARING ON SB 150**Opening Statement by Sponsor:**

01:04:37 Sen. Dee Brown (R), SD 2, opened the hearing on SB 150, Require vacation rentals to collect bed taxes.

Proponents:

01:07:02 Stuart Doggett, Montana Lodging and Hospitality Association (MLHA)

Opponents: None**Informational Witnesses:**

01:11:47 Lee Baerlocher, Department of Revenue (DOR)

Questions from Committee Members and Responses:

01:12:47 Rep. Fern
01:13:25 Lee Baerlocher, DOR
01:14:10 Rep. A. Hertz
01:16:57 Lee Baerlocher, DOR
01:17:59 Rep. Flynn

01:18:57 Lee Baerlocher, DOR
01:19:27 Sen. D. Brown
01:19:56 Rep. Flynn
01:20:20 Sen. D. Brown
01:20:48 Rep. Flynn
01:21:42 Lee Baerlocher, DOR
01:22:43 Rep. Beard
01:23:39 Lee Baerlocher, DOR
01:24:43 Rep. White
01:26:26 Sen. D. Brown
01:27:36 Rep. White
01:28:48 Lee Baerlocher, DOR
01:29:24 Rep. Welch
01:31:10 Lee Baerlocher, DOR

Closing by Sponsor:

01:31:46 Sen. D. Brown

01:33:40 Recessed

01:46:50 Reconvened

HEARING ON HB 567**Opening Statement by Sponsor:**

01:47:01 Rep. Mary Ann Dunwell (D), HD 84, opened the hearing on HB 567, Increase sales tax on lodging and direct portion of proceeds to invasive species.

[EXHIBIT\(tah49a02\)](#)

Proponents:

01:55:02 Sen. Malek

[EXHIBIT\(tah49a03\)](#)

Opponents:

02:01:12 Bob Gilbert, Walleyes Unlimited of Montana (WUM)

02:06:09 Stuart Doggett, Montana Lodging and Hospitality Association (MLHA), Montana Taxpayers Association (Montax)

[EXHIBIT\(tah49a04\)](#)

02:08:49 Mark Baker, Kalispell Chamber of Commerce (KCC), Montana Chamber of Commerce (MCC)

02:10:13 Riley Johnson, National Federation of Independent Businesses (NFIB)

Informational Witnesses: None

Questions from Committee Members and Responses:

02:11:24 Rep. Redfield

02:12:46 Rep. Dunwell

02:13:25 Rep. Abbott

02:14:54 Mark Baker, KCC, MCC

02:15:16 Rep. Hamilton

02:19:05 Stuart Doggett, MLHA
02:19:24 Rep. Flynn
02:22:00 Sen. Malek
02:22:38 Rep. White
02:27:39 Rep. Dunwell

Closing by Sponsor:

02:29:26 Rep. Dunwell

ADJOURNMENT

Adjournment: 02:36:02

Margot Miltenberger, Secretary

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Additional Documents:

EXHIBIT([tah49aad.pdf](#))